

REQUEST FOR COUNCIL ACTION

SUBJECT: Lawn Mower Leases

SUMMARY: The Parks Department will be entering into a 36 month lease for seven mowers with a value of \$123,125.76. The lease payments will be for \$2,882.28 per month for all of the equipment. The lease will allow for the mowers to be used for 900 hours per year and include a fair market value purchase option at the end of the lease. The seven mowers that are being replaced have averaged \$30,000 in maintenance costs per year for the last three years

**FISCAL
IMPACT:**

Funding will be provided through the on-going budget over the next three years and through maintenance savings that will occur with the new equipment.

STAFF RECOMMENDATION:

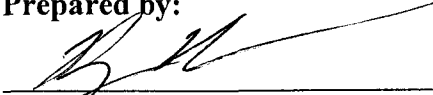
Staff recommends entering into a 36 month lease agreement with TCF Equipment Finance for seven mowers at \$2,882.28 per month with a 900 hour per year use

MOTION RECOMMENDED:


"I move to adopt Resolution No. 14-101 authorizing the Mayor enter into a lease agreement with TCF Equipment Finance for a 36 month lease agreement for seven mowers at \$2,882.28 per month with a 900 hour per year use, subject to legal review and approval by the City Attorney

Roll Call vote required.

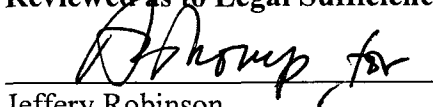
Prepared by:


Ryan Bradshaw
Finance Manager/Controller

Reviewed by:

 For WR
Wendell T. Rigby, P.E.
Director of Public Works

Reviewed as to Legal Sufficiency:


Jeffery Robinson
City Attorney

Recommended by:


Richard L. Davis
City Manager

BACKGROUND DISCUSSION:

The Parks Department does not currently have a replacement schedule for lawn mowers. The Department currently has seven mowers who are over 8 years old and are costing over \$30,000 per year to maintain. TCF Equipment Finance has a program that will allow the Department to lease with an option to purchase the seven mowers for \$2,882.28 per month for 36 months.

This option will install a replacement schedule for mowers of every 3 years, thus decreasing maintenance costs and increase productivity.

See attached lease information for more details

THE CITY OF WEST JORDAN, UTAH
A Municipal Corporation

RESOLUTION NO. 14-101

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN
THE CITY OF WEST JORDAN AND TCF EQUIPMENT FINANCE INC**

WHEREAS, the City Council of the City of West Jordan has reviewed the Agreement between the City of West Jordan and TCF Equipment Finance (a copy of which is attached) for the lease of seven mowers for 36 months at \$2,882.28 per month

Whereas, the City Council desires to execute the Agreement with TCF Equipment Finance which award shall not be binding upon the City of West Jordan unless and until the Agreement is fully executed by the parties; and

Whereas, the proposed Agreement between the City of West Jordan and TCF Equipment Finance for the lease of seven mowers for 36 months at \$2,882.28 per month has been reviewed; and

Whereas, the City Council of the City of West Jordan has determined that the Agreement TCF Equipment Finance for the lease of seven mowers for 36 months at \$2,882.28 per month is acceptable.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF WEST JORDAN, UTAH, THAT:

Section 1. After approval as to legal form, the Mayor is hereby authorized and directed to execute the Agreement between the City of West Jordan and Agreement TCF Equipment Finance for the lease of seven mowers for 36 months at \$2,882.28 per month

Section 2. This Resolution shall take effect immediately upon passage.

Adopted by the City Council of West Jordan, Utah this 28th day of May 2014.

Kim V. Rolfe
Mayor

ATTEST:

Melanie S. Briggs
City Recorder

RESOLUTION NO. 14-101

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT BETWEEN
THE CITY OF WEST JORDAN AND TCF EQUIPMENT FINANCE INC

Voting by the City Council	"AYE"	"NAY"
Jeff Haaga	_____	_____
Judy Hansen	_____	_____
Chris McConnehey	_____	_____
Chad Nichols	_____	_____
Ben Southworth	_____	_____
Justin D. Stoker	_____	_____
Mayor Kim V. Rolfe	_____	_____



Master Lease

The "Master Lease": Master Lease Number 657992L Dated May 19, 2014
"Lessee"
City of West Jordan, Utah, 8000 S Redwood Road, West Jordan, UT 84088
"Lessor"
TCF Equipment Finance, Inc., 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

Master Lease Terms and Conditions

1. **LEASE.** Lessee hereby agrees to lease from Lessor and, subject to satisfaction of all Lessor's requirements and no material adverse change in Lessee's condition or business, Lessor agrees to lease to Lessee the personal property, services and/or software described in one or more Schedules (each a "Schedule") to this Master Lease signed by Lessor and Lessee from time to time on the terms and conditions set forth herein and in the related Schedule (such property and services, together with all replacements, repairs, and additions thereto, collectively the "Equipment"; and each item, an "Item"). Lessee authorizes Lessor to add to the Schedule, or make necessary corrections to, serial numbers or other identification of the Equipment when known. Each Schedule incorporates the terms of this Master Lease, is considered a separate lease and shall be referred to herein as "this Lease". Capitalized terms have the meanings given to them in the Schedule or herein. If the terms of a Schedule conflict with the terms of this Master Lease, the terms of the Schedule shall control.

2. **TERM.** The term of this Lease with respect to each Item begins on the date Lessee accepts such Item and continues for the number of consecutive months from the Commencement Date shown in the applicable Schedule (the "Initial Term") unless earlier canceled, terminated or extended as provided herein or in the Schedule. Lessee shall promptly inspect the Equipment upon delivery and, if acceptable in all respects, execute and deliver a certificate of acceptance, in form acceptable to Lessor. Lessee authorizes Lessor to fill in the Commencement Date in the Schedule, which will be determined based on the date that the final Item thereunder is delivered to and accepted by Lessee. If the final Item is delivered and accepted between the 1st and the 15th days of a month, the Commencement Date is the 15th day of such month; if the final Item is delivered and accepted between the 16th and the last days of a month, the Commencement Date is the 1st day of the following month. The term of this Lease may be extended as provided in the applicable Schedule.

3. **PAYMENTS.** Lessee shall pay to Lessor: (a) any Advance Rent Payment(s) and Security Deposit set forth in the Schedule, on the date Lessee signs the Schedule; (b) the periodic Rent Payment set forth in the Schedule payable as set forth in the Schedule for the Initial Term and any renewal term; (c) interim rent for each Item from the date accepted to the Commencement Date, at the daily rate equal to the Interim Rent Daily Factor set forth in the Schedule multiplied by the portion of the Total Cost applicable to such Item payable with respect to each calendar month by the 10th day of the following month and in any event on the Commencement Date. If, for any reason, the final cost (all amounts Lessor pays in connection with the purchase, delivery and installation of the Equipment, including any trade-up and buy out amounts, and any other amounts financed, before application of any subsidies or like amounts) is more or less than the Total Cost in the Schedule (which is based on an estimate), each Rent Payment and the mandatory or optional fixed purchase price, if any, will be adjusted to provide Lessor the same yield it would have obtained if such final cost had been equal to such Total Cost. Lessee agrees that the Schedule will be amended to reflect the final Total Cost and adjusted Rent Payment and purchase price, if applicable, by (i) written notice from Lessor to Lessee for adjustments of 10% or less; or (ii) signed Amendment. The Rent Payment in the Schedule has been indexed to the LIBOR Swap Rate (fixed rate swap for floating 90-day LIBOR) for a similar term to the Initial Term, interpolated as necessary. If such Swap Rate as of the date the final Item is accepted is more than the Swap Rate as of the date hereof, Lessor may increase the Rent Payment accordingly, and on or before the Commencement Date, Lessee will sign an amendment reflecting such increase. Lessee also shall pay all governmental fees, assessments and taxes, however designated, and any penalties or interest thereon, assessed on or related to the rent, this Lease or the Equipment, when due or invoiced; and all costs and charges of every kind regarding importation, shipment, delivery, installation, insurance, possession, use, lease, tax treatment, return, repossession, storage and transfer of any Item, when incurred; and if Lessor, in its discretion, pays any such amount, Lessee shall reimburse Lessor therefore, with interest, on demand, plus Lessor's administrative and other costs of paying and invoicing such amounts. Lessor may charge a late fee of 10% of any amount not paid by Lessee within 10 days of its due date hereunder, and all interest provided for under this Lease shall accrue at 18% per annum; provided that in no event shall such late fee or such interest exceed the maximum rate or amount permitted by applicable law. Lessee may from time to time make telephonic requests for, and Lessee hereby authorizes, Lessor or its agents to make and draw checks or drafts on a checking account to be designated by Lessee, payable to Lessor or order, to pay rent and other amounts due hereunder, plus Lessor's standard per item fee for making and drawing such check or draft not to exceed the maximum amount permitted by law. Lessor may rely on such request made by any person it believes has authority to make such request on behalf of Lessee. Lessee will pay Lessor on demand a fee, in an amount determined by Lessor, not to exceed the maximum amount from time to time permitted by applicable law, for any check or automatic payment request returned due to insufficient funds or stop payment. Lessor may apply payments and any security deposit to Lessee's obligations hereunder in such order as it deems appropriate, and will return any unapplied balance to Lessee without interest when all such obligations are satisfied.

4. **USE; REPAIRS.** Lessee shall use the Equipment within recommended capacities, only for its designed purposes, in compliance with all laws, regulations and ordinances. At Lessee's expense, Lessee will maintain the Equipment in good repair and working order, furnish all needed parts and services and make all modifications and improvements required by law. Lessee will not modify or improve the Equipment without Lessor's prior written consent. All parts, modifications and improvements will become Lessor's property and part of the Equipment for all purposes. Lessee shall prepare and file all tax returns that it may file under the applicable taxing jurisdiction's laws for taxes that are Lessee's responsibility hereunder, including but not limited to personal property taxes if the End of Lease Provision under the applicable Schedule is (i) "Mandatory Purchase" or (ii) "Purchase Option" and the price for such option is a dollar amount stated in such Schedule.

5. **RETURN.** Subject only to strict compliance with the terms of any purchase or renewal provisions which are set forth herein or in any Schedule, upon expiration or earlier cancellation or termination hereof, Lessee shall, at its sole cost and expense, return all, (not part) of such Equipment to Lessor's designee immediately upon expiration of the Initial Term and with respect to each item of Equipment, as applicable, the following must be true: All safety equipment must be in place and meet applicable federal, state and other governmental standards; All covers and guards must be in place with no sheet metal, plastic or cowl damage; All parts, pieces, components and optional equipment must be present, installed and operational; All accessories shall be returned in proper order; All motors shall operate smoothly without overheating and shall have good bearings and bushings; All electronic controls shall operate per manufacturers' specifications; Controls which bypass normal operations shall be repaired at Lessee's expense; All electrical systems shall be able to provide electrical output as specified by the manufacturer; All batteries shall be in good, safe operating condition with no dead cells or cracked cases; Batteries shall hold a charge and provide adequate power to operate the Equipment; All Equipment shall have serviceable tires, with 50% remaining tread, retaining proper air pressure, and without repair patches; All oil and grease seals must contain lubrication in the manufacturer's designed reservoir; All Equipment must have a relatively clean appearance; All Equipment must be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance detailed in Equipment operation/maintenance manuals; All Equipment shall be free from structural damage or bent frames; Any usage or metering devices must not have been altered in any way; All Equipment attachments, if any, must be in good operating condition; All hydraulic cylinders must not be bent, nicked, gouged or leaking. If the Equipment is an electric golf car, then in addition to the above return provisions: (i) the golf car must be able to transport two (2) people and their golf clubs; (ii) all batteries and battery terminals must be clean, free of corrosion and have proper battery water levels; and (iii) each golf car must include operable battery chargers. Additionally, all Equipment must be able to complete the following tests: operate normally in forward and reverse directions through all its speed ranges or gears, steer normally right and left in both forward and reverse, have all functions and controls work in a normal manner, be able to stop with its service brakes in a safe distance in both forward and reverse, operate without leaking any fluids, perform its designed functions in a satisfactory manner, and all cutting units (if applicable) must be able to lower, turn on, run, raise and shut off as they are designed to do. If any Equipment is damaged or does not meet the standards set forth above for the return condition of such Equipment or if Lessee fails to discharge Lessee's obligations set forth under this Master Lease and/or a Lease with regard to any Equipment, Lessee shall remit to Lessor, immediately upon demand, the Stipulated Loss Value of such Equipment. The "Stipulated Loss Value" for a particular Item shall be an amount equal to: (i) the total of all monthly payments and other amounts, if any, due under the Lease with respect to such Item as of the date of payment of the Stipulated Loss Value, plus (ii) all rent not yet due for the Item for the remaining term of this Lease, discounted from their respective due dates at the rate of 3% per annum, plus (iii) the greater of (a) the Mandatory Purchase Price related to the Item; (b) the Item's "Anticipated Residual Value" as determined by Lessor's books at the Commencement Date; or (c) 10% of the original Total Cost related to the Item. Until properly returned, all Lease terms shall apply, including without limitation all Lessee's rent, insurance and maintenance obligations.

6. **DISCLAIMERS.** LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE WITH RESPECT TO, OR ANY OTHER MATTER CONCERNING, THE EQUIPMENT, AND EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES AND ANY OTHER WARRANTIES IMPLIED BY LAW. LESSEE HEREBY WAIVES ALL CLAIMS AGAINST LESSOR FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY THE EQUIPMENT OR ANY DEFECT THEREIN, OR BY THE DELIVERY, INSTALLATION, USE, MAINTENANCE OR SERVICING OF OR ADJUSTMENT TO THE EQUIPMENT. AS TO LESSOR, LESSEE LEASES

THE EQUIPMENT AS-IS, WITH ALL FAULTS, WITHOUT WARRANTY OF ANY KIND. Lessee acknowledges that: Lessor is not a dealer or manufacturer of equipment of any kind; is not the seller of the Equipment; each Item is of a type, size, design and capacity selected solely by Lessee; and this Lease is a "finance lease" under UCC Article 2A in all respects. To the extent permitted by law, Lessee unconditionally and irrevocably waives any and all rights and remedies against Lessor at law or in equity (including, without limitation, any rights and remedies granted Lessee under Article 2A of the Uniform Commercial Code and/or the right to reject any Equipment or repudiate this Lease).

7. **INDEMNITY.** To the extent permitted by law, Lessee shall indemnify and hold Lessor harmless from any and all claims, actions, damages, legal expenses (including reasonable attorneys' fees), obligations, liabilities, liens, fines, penalties or other amounts arising out of the manufacture, purchase, lease, use, condition, possession, ownership, operation or return of any Equipment, or in connection with latent or other defects, or any claim for patent, trademark or copyright infringement, including any strict liability claims, whether arising by operation of law, or with or without Lessee's fault or negligence or failure to comply with the terms hereof, and as a result of any lien, encumbrance or claim made on the Equipment by anyone, including Lessee's employees and agents, imposed or incurred by or asserted against Lessor, its successors or assigns. At Lessor's option, Lessee shall assume full responsibility for the defense of any indemnified claim.

8. **LOSS.** Lessee shall bear the entire risk of loss, theft, damage or destruction of any or all Items from any cause whatsoever ("Loss"); and no Loss shall relieve Lessee of any rent payment or other obligation hereunder. If Lessor determines that any Item has suffered an irreparable Loss, Lessee will either (i) replace the Item with like equipment (of the same year, make, model and accessories) in good repair, condition and working order; or (ii) pay Lessor the Stipulated Loss Value for such Item.

9. **INSURANCE.** With respect to the Equipment, Lessee shall pay for and maintain, and furnish Lessor a certificate evidencing, insurance insuring against: (a) liability for bodily injury and property damage with a minimum combined single limit of \$1,000,000.00 or such greater amount as may be prescribed by any applicable state law specifying minimum insurance requirements, with Lessor as additional insured, and (b) loss or damage to the Equipment in an amount no less than the Equipment's full replacement value, with Lessor as loss payee. Each insurance policy shall be in such form, including a maximum deductible, and with such insurers as Lessor may accept, shall require the insurer to give Lessor at least 30 days' prior written notice of any cancellation or change in terms, and shall specify that no action or misrepresentation by Lessee will affect Lessor's coverage. Lessor has no duty to verify or notify Lessee that any such policy exists or is free of defects. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims, receive payments and execute and endorse all documents, checks or drafts under any such policy. If Lessee fails to maintain, pay for or provide Lessor with evidence of the required insurance, Lessor may, but is not obligated to, obtain insurance covering Lessor's interest in the Equipment from an insurer of Lessor's choice. Lessor may charge Lessee the costs of acquiring and maintaining such insurance, and a fee for Lessor's services (collectively, "Insurance Charge"). At its discretion, Lessor may allocate the Insurance Charge to the remaining Rent Payments, which Lessee will pay with interest on such allocation. Nothing in this Lease will create an insurance relationship of any type between Lessor and any other person.

10. **DEFAULT.** Each of the following is an "Event of Default" hereunder: (a) Lessee fails to pay any rent or other payment required hereunder when due; (b) Lessee fails to comply with any other covenant or agreement hereunder and such failure continues for 10 days after notice by Lessor; (c) Lessee defaults under any other obligation to Lessor; (d) Lessee or any guarantor of this Lease ("Guarantor"), or any partner of Lessee ("Partner") if Lessee is a partnership, ceases doing business as a going concern or makes an assignment for the benefit of creditors; (e) Lessee or any Guarantor or Partner admits in writing an inability to pay debts as they come due, voluntarily files or has filed against it involuntarily a petition under the federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for it or for all or a substantial part of its assets; (f) any individual Lessee, Guarantor or Partner dies; (g) any material indebtedness of Lessee or any Guarantor is accelerated or payment in full thereof is demanded; (h) Lessee or any Guarantor consolidates with, merges into or transfers all or substantially all its assets to another entity or individual; or (i) Lessee fails to occupy the premises where any Item is located, or the mortgagee or owner of such premises asserts the right to take possession thereof or exercise eviction or other remedies under the mortgage or lease of such premises.

11. **REMEDIES.** At any time on or after an Event of Default, Lessor may in its sole discretion, with or without canceling or terminating this Lease, exercise one or more of the following remedies: (a) on written notice to Lessee, cancel or terminate this Lease; (b) declare immediately due and payable and recover from Lessee the sum of all rent and other amounts then due in the current fiscal year; (c) enforce performance of, and/or recover damages for the breach of, Lessee's covenants; (d) repossess the Equipment wherever located, without notice or legal process; (e) exercise any other right or remedy available by law or agreement. Upon repossession, Lessor may retain the Equipment in full satisfaction of Lessee's obligations or may use reasonable efforts to sell or lease the Equipment in a manner and on terms as deemed appropriate by Lessor. Lessor will be entitled to any surplus and Lessee will be liable for any deficiency. Lessor may recover legal fees and other expenses incurred due to an Event of Default or the exercise of any remedy hereunder, including costs of repossession, repair, storage, transportation and disposition of the Equipment. No remedy shall be exclusive, and each shall be cumulative to the extent necessary for Lessor to recover amounts for which Lessee is liable hereunder.

12. **ASSIGNMENT.** Without Lessor's prior written consent, Lessee will not sell, assign, sublet, pledge or otherwise encumber or permit a lien arising through Lessee to exist against any interest in this Lease or the Equipment. Lessor may assign its interest in this Lease and sell or grant a security interest in all or any part of the Equipment without notice to or consent of Lessee. Lessee agrees not to assert against any assignee of Lessor any claim or defense Lessee may have against Lessor.

13. **NON-CANCELABLE, UNCONDITIONAL OBLIGATION.** This Lease cannot be canceled or terminated except as expressly provided herein. This Lease is a net lease; Lessee agrees that its obligation to pay rent and other amounts payable hereunder is absolute and unconditional and shall not be subject to any abatement, reduction, setoff or defense of any kind. If this Lease is deemed to be a lease intended as security, (i) Lessee grants Lessor a security interest in the Equipment to secure its obligations under this Lease and all present and future indebtedness to Lessor; (ii) this Lease shall be construed so that interest, the applicable interest rate or other charges shall not exceed the maximum time price differential, rate, interest or amount allowed by applicable law, and any excess payment will be applied first to prepay principal hereunder and then as a refund to Lessee; and (iii) this Lease is made under Minn. Stat. Sec. 334.022. The Equipment shall at all times remain Lessor's property, and Lessee's only right, title or interest therein shall be as set forth herein. At its expense, Lessee shall protect and defend Lessor's title and interest and keep the Equipment free of all claims and liens except those created by or arising through Lessor. Lessee authorizes Lessor to file such financing statements, title certificates and instruments as Lessor deems necessary to protect Lessor's interests in the Equipment, without Lessee's signature, and, if such signature is needed, Lessee appoints Lessor as Lessee's attorney-in-fact to sign such items in Lessee's name. Lessee will reimburse Lessor's costs with respect thereto on demand. Lessee's exact legal name is as shown above and Lessee represents and warrants to Lessor that as of the date hereof, and throughout the term of the Lease: (a) Lessee is a political subdivision of the state or commonwealth in which it is located and is organized and existing under the constitution and laws of such state or commonwealth; (b) Lessee has complied, and will comply, fully with all applicable laws, rules, ordinances, and regulations governing open meetings, public bidding and appropriations required in connection with the Lease, the performance of its obligations under the Lease and the acquisition and use of the Equipment; (c) the person(s) signing the Lease and any other documents required to be delivered in connection with the Lease (collectively, the "Documents") have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signatures, each of which are genuine; (d) the Documents are and will remain valid, legal and binding Leases, and are and will remain enforceable against Lessee in accordance with their terms; and (e) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of its authority and will be used during the term of the Lease only by Lessee and only to perform such function. Lessee further represents and warrants to Lessor that, as of the date each item of Equipment becomes subject to the Lease and any applicable Schedule, it has funds available to pay all Lease payments payable thereunder until the end of Lessee's then current fiscal year, and, in this regard and upon Lessor's request, Lessee shall deliver in a form acceptable to Lessor a resolution enacted by Lessee's governing body, authorizing the appropriation of funds for the payment of Lessee's obligations under the Lease during Lessee's then current fiscal year. Lessor may inspect the Equipment and Lessee's records related thereto at any time during business hours. All representations, warranties and indemnities of Lessee made or agreed to in or in connection with this Lease shall survive expiration, cancellation or termination of this Lease.

14. **TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.** To the extent permitted by applicable law, Lessee agrees to take all necessary and timely action during the Lease term to obtain and maintain funds appropriations sufficient to satisfy its payment obligations under the Lease (the "Obligations"), including, without limitation, providing for the Obligations in each budget submitted to obtain applicable appropriations, causing approval of such budget, and exhausting all available reviews and appeals if an appropriation sufficient to satisfy the Obligations is not made. Notwithstanding anything to the contrary provided in the Lease, if Lessee does not appropriate funds sufficient to make all payments due during any fiscal year under the Lease and Lessee does not otherwise have funds available to lawfully pay the Lease payments (a "Non-Appropriation Event"), and provided Lessee is not in default of any of Lessee's obligations under such Lease as of the effective date of such termination, Lessee may terminate such Lease effective as of the end of Lessee's last funded fiscal year ("Termination Date") without liability for future payments or the early termination charge under such Lease, if any, by giving at least 60 days' prior written notice of termination ("Termination Notice") to Lessor. If Lessee terminates the Lease prior to the expiration of the end of such Lease's Initial Term, or any extension or renewal thereof, as permitted under the terms of the Lease or as set forth herein or in any Schedule, Lessee shall (i) on or before the Termination Date, return the Equipment subject to the terminated Lease in accordance with the return requirements set forth in such Lease, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Lessor, upon request by Lessor, an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Termination Notice has occurred, and (iv) pay Lessor all sums payable to Lessor under such Lease up to and including the Termination Date. Lessee acknowledges and agrees that, in the event of the termination of a Lease and the return of the Equipment as provided for herein, Lessee shall have no interest whatsoever in the Equipment or proceeds thereof and Lessor shall be entitled to retain for its own account the proceeds resulting from any disposition or re-leasing of the Equipment along with any advance rentals, security deposits or other sums previously paid by Lessee pursuant to the terms of the Lease. To the extent permitted by applicable law, Lessee agrees that

upon the termination of a Lease under this Section that it shall not enter into any lease, rental agreement or any other contract for the lease, use, possession or purchase of equipment similar to the Equipment of the terminated Lease for one (1) year after the Non-Appropriation Event for the terminated Lease. The termination of a Lease under this Section shall not terminate this Master Lease or any other Leases made pursuant hereto, and shall not terminate Lessee's obligation to make the required monthly payments for such Leases.

15. **DELIVERY OF CERTAIN DOCUMENTS AND RELATED REQUIREMENTS.** Lessee will execute or provide, as requested by Lessor, annual budget and financial information and such other documents and information, including an opinion of Lessee's counsel as to the validity and enforceability of this Master Lease and any Schedules, as are reasonably necessary with respect to the transaction contemplated by this Lease. If Lessee is a "Registered Organization" (as such term is defined in the UCC), then Lessee will: (i) upon request of Lessor, provide copies of its applicable registered organization documents; and (ii) not change its legal name or its chief executive office or state of organization, without, in each case, giving Lessor at least 30 days' prior written notice of any such event.

16. **EXCESS USAGE AND SUPPLEMENTAL RENTALS (APPLICABLE TO TURF CARE AND MAINTENANCE EQUIPMENT ONLY).** At the end of the Initial Term, Lessee shall remit to Lessor \$5.00 per hour on each Item that has hourly use in excess of the maximum hours as indicated on the applicable Schedule. Lessee shall remit such amounts within ten (10) days of Lessor's written demand. The hours of use of an Item shall be determined by the hour meter attached to said Item, provided that such meter remains operable and accurate. If any such hour meter becomes inoperable or inaccurate, Lessee shall immediately repair or replace same, and shall immediately notify Lessor in writing of such event and of the correct hours of usage of the Item during the period of time the hour meter was inoperable or inaccurate. Lessee shall promptly furnish Lessor such information as Lessor may reasonably request from time to time in order to document the hours of usage of the Equipment.

17. **GOVERNING LAW; JURY TRIAL WAIVER. THIS LEASE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MINNESOTA (EXCLUDING CONFLICTS LAWS); PROVIDED THAT ANY INTEREST AND FINANCE CHARGES HEREUNDER SHALL BE GOVERNED BY FEDERAL LAW AND, TO THE EXTENT APPLICABLE, THE SUBSTANTIVE LAWS OF THE STATE OF MINNESOTA. LESSEE HEREBY CONSENTS TO JURISDICTION AND VENUE OF THE FEDERAL OR STATE COURTS SITTING IN THE STATE OF MINNESOTA FOR RESOLUTION OF ALL DISPUTES OF ANY NATURE WHATSOEVER REGARDING THIS LEASE OR ANY TRANSACTION CONTEMPLATED HEREBY. LESSEE AGREES**

THAT, AT LESSOR'S SOLE ELECTION AND DETERMINATION, LESSOR MAY SELECT AN ALTERNATIVE FORUM, INCLUDING ARBITRATION OR MEDIATION, TO ADJUDICATE ANY DISPUTE ARISING OUT OF THIS LEASE. THE PARTIES HERETO, AFTER CONSULTING (OR HAVING HAD AN OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS LEASE, INCLUDING ANY ACTION TO ENFORCE THIS LEASE OR ANY RELATED AGREEMENTS.

18. **MISCELLANEOUS.** This Lease constitutes the entire agreement between Lessee and Lessor with respect to the subject matter hereof; there is no other oral or written agreement or understanding. In Lessor's sole discretion, this Lease and other documents may be electronically copied and/or delivered by telecopier or other electronic means of transmission ("e-copy") and the e-copy of any document shall be deemed an original, and admissible as such in any court or other proceeding; provided that there shall be only one original counterpart of each Schedule, and it shall bear the original signature of Lessor and be marked "Original." To the extent a Schedule is "chattel paper", a security or ownership interest may only be created therein by transferring the "Original" bearing Lessor's original signature. Without limiting any of the foregoing, Lessee will send Lessor, on request, any document bearing Lessee's original signature. Except as expressly set forth herein, this Lease may not be amended or modified except by a writing manually signed by the parties. Lessee shall pay Lessor's costs, fees and expenses incurred in connection with any amendment, waiver, release, cancellation or termination of this Lease or any related document, financing statement, title certificate or instrument, including but not limited to filing and recording fees. This Lease is binding on and inures to the benefit of the parties hereto, their permitted successors and assigns. Any written notice hereunder shall be deemed given when delivered personally, sent via facsimile (transmission confirmed) or deposited in the United States mails, certified or registered mail, addressed to recipient at its address set forth above or such other address as may be substituted therefor by notice given pursuant to the terms hereof. If more than one Lessee is named herein, the obligations of each shall be joint and several. Lessee authorizes, and represents that all Lessee's principals have authorized, Lessor to obtain such credit bureau reports and make such other credit inquiries with respect to Lessee and such principals as Lessor deems appropriate throughout the term of this Lease; on written request, Lessor will identify any reporting agency used for such a reports. Lessee warrants and agrees that the Equipment is leased and will be used for business purposes only, and not for personal, family or household purposes. Our institution complies with Section 326 of the USA PATRIOT Act. This law mandates that we verify certain information about you while processing your account application.

Lessor: TCF Equipment Finance, Inc.

Lessee: City of West Jordan, Utah

By: _____



By: _____

Operations - T.C.

Kim Rolfe, Mayor



Turf Equipment Schedule (Fair Market Value Purchase Option)

The "Lease": Equipment Schedule Number 008-0657992-100 Dated May 19, 2014 to Master Lease Number 657992L Dated May 19, 2014	
"Lessee"	
City of West Jordan, Utah, 8000 S Redwood Road, West Jordan, UT 84088	
Contact: Ryan Bradshaw	Phone: (801) 569-5021
"Lessor"	
TCF Equipment Finance, Inc., 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	

This Equipment Schedule (this "Schedule") is entered into pursuant to and incorporates the terms of the Master Lease (except as expressly modified by this Schedule) identified above between Lessor and Lessee (the "Master Lease" and, together with this Schedule, this "Lease"). All capitalized terms not otherwise defined in this Schedule have the meanings assigned in the Master Lease. Upon execution and delivery of this Schedule by Lessor and Lessee, and Lessee's acceptance of the Equipment described below, Lessor leases to Lessee and Lessee leases from Lessor the Equipment on the terms and conditions of this Lease.

SUMMARY OF TERM AND RENTAL PAYMENTS:

Commencement Date	Initial Term	Rent Payment Period	Each Rent Payment	Advance Rent Payment(s)	Interim Rent Daily Factor	Security Deposit	Total Cost
	36 Months	Monthly	\$2,882.28 plus applicable taxes except financed sales tax included in Total Cost	N/A For Installments(s): N/A	N/A	N/A	\$123,125.76

EQUIPMENT, PERSONAL PROPERTY, SERVICES AND/OR SOFTWARE (the "Equipment"):

MAXIMUM HOURS:

Public Works Dept, 8030 S 4000 W, West Jordan, UT, 84088: (1) Toro Groundsmaster 4000-D, (6) Toro Z Master Prof. 7000 Series 60" Mower together with all attachments and accessories thereto	900 per year
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Each Rent Payment shall be payable in arrears on the date that is one month after the Commencement Date and on the same day of each subsequent Rent Payment Period for the Initial Term and any renewal term.

The following additional provisions apply to the Equipment and this Lease only:

- So long as this Lease has not been canceled or terminated early and no Event of Default exists, upon expiration of the Initial Term ("Lease End"), Lessee may purchase all, but not less than all, of the Equipment for the fair market value of the Equipment, as mutually determined by Lessor and Lessee, plus all sales and use taxes arising on the sale of the Equipment. To exercise the foregoing purchase option, Lessee must give written notice thereof to Lessor at least 90 days and no more than 120 days prior to Lease End. If Lessee fails to give such notice, or if the parties cannot agree on the Fair Market Value of the Equipment by 60 days before Lease End, then the purchase option shall lapse. If the purchase option lapses, then at least 30 days before Lease End or the end of any renewal term, Lessee must give Lessor notice of its intent to return the Equipment and request return location instructions. If Lessee fails to give such notice, or gives notice but fails to return the Equipment in accordance with Section 5 of the Master Lease, this Lease will automatically renew, at the same rental and other terms set forth in this Lease, for additional successive non-cancelable 12-month terms after the Initial Term until timely written notice of return and proper return of the Equipment is made.
- If Lessee gives timely notice of election to purchase the Equipment as provided in paragraph 1 and fails to timely pay the purchase price, then Lessor may, in its sole discretion, by written notice to Lessee (a) treat the Equipment as purchased and enforce payment of the purchase price, or (b) declare a failure to meet the purchase conditions whereupon Lessee's interest in the Lease and Equipment shall automatically be canceled and Lessee shall return the Equipment in accordance with Section 5 of the Master Lease.
- Upon Lessee's exercise of the purchase option and Lessor's receipt of the purchase price plus applicable sales and use tax and any rent or other amount owing under this Lease, the Equipment will be deemed transferred to Lessee at its then location and, on Lessee's request at such time, Lessor will deliver to Lessee a bill of sale for the Equipment, "WHERE IS, AS IS" WITHOUT ANY WARRANTY AS TO TITLE OR WITH RESPECT TO THE EQUIPMENT, EXPRESS OR IMPLIED.
- If Lessor suffers a Tax Loss because, for federal or state income tax purposes, for any reason, this Lease is not a true lease or Lessor otherwise is not entitled to depreciate the Equipment in the manner Lessor anticipated when entering into this Lease, then Lessee shall pay Lessor, as additional rent hereunder, a lump-sum amount which, after payment of all federal, state, and local income taxes on the receipt of such amount, and using the same assumptions as to tax benefits and other matters Lessor used in originally evaluating and pricing this Lease, will in Lessor's reasonable opinion maintain Lessor's net after-tax rate of return with respect to this Lease at the same level it would have been had such Tax Loss not occurred. Lessor will notify Lessee of any claim that may give rise to indemnity hereunder and will make a reasonable effort to contest any such claim at the administrative level of the applicable taxing authority. Lessor shall control all aspects of any settlement and contest, and Lessee agrees to pay the legal fees and other out-of-pocket expenses thereof even if Lessor's defense is successful. Notwithstanding the foregoing, Lessee will not be obligated to indemnify Lessor for any Tax Loss caused solely by (a) a casualty Loss to the Equipment if Lessee pays the amount required under Section 8 of the Master Lease, (b) Lessor's sale of the Equipment other than on account of an Event of Default, (c) failure of Lessor to have sufficient income to utilize its anticipated tax benefits or to timely claim such tax benefits, and (d) tax law changes, including rates, effective after the Lease begins. Lessee's indemnity obligations hereunder shall survive cancellation and termination of this Lease. For purposes of this paragraph, the term "Tax Loss", means Lessor's loss of, or loss of the right to claim, or recapture of, all or any part of the federal or state income tax benefits Lessor anticipated as a result of entering into this Lease and owning the Equipment; and the term "Lessor" shall include any member of an affiliated group of which Lessor is (or may become) a member if consolidated tax returns are filed for such affiliated group for federal income tax purposes.
- If this Lease terminates or is cancelled prior to the end of the Initial Term, then the Maximum Hours specified above shall be reduced pro rata based on the number of months remaining in the current year or Initial Term, as applicable. If the Lease is renewed or extended, the Maximum Hours allowed during such renewal or extension shall be calculated pro rata based on the number of Maximum Hours specified above and the number of months of such extension or renewal.

Lessor: TCF Equipment Finance, Inc.

By: _____

Operations - T.C.

Lessee: City of West Jordan, Utah



By: _____

Kim Rolfe, Mayor

OPINION OF COUNSEL

(To be on Attorney's Letterhead)

Date:

Lessee: City of West Jordan, Utah
8000 S Redwood Road,
West Jordan, UT 84088

Lessor: TCF Equipment Finance, Inc
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926

Re: Contract 008-0657992-100, dated as of May 19, 2014, by and between City of West Jordan, Utah and Lessor

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the contract described above (the "Lease") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease and exhibit thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a public corporation and political subdivision of the State of Utah (the "State") duly organized, existing and operating under the Constitution and laws of the State. The full, true and correct legal name of Lessee is _____.
2. The Uniform Commercial Code, as adopted in the State (the "UCC"), and no other statute of the State, governs the creation, perfection, priority or enforcement of a security interest created by Lessee.
3. Lessee is authorized and has power under State law to enter into the Lease, and to carry out its obligations thereunder and the transactions contemplated thereby.
4. The Lease and the other documents described above have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and the Lease is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.
5. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable State and Federal laws.
6. The execution of the Lease and the appropriation of moneys to pay the payments coming due under the Lease do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
7. There is no litigation, action, suit, or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of the organization or existence of Lessee; the authority of its officers; the proper authorization, approval and execution of the Lease and the other documents described above; the appropriation of monies to make Rental Payments under the Lease for the current fiscal year, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

This opinion of counsel may be relied upon by Lessor and its successors and assigns.

Very truly yours,



CERTIFICATE OF INCUMBENCY
LEASE-PURCHASE AGREEMENT NO. 008-0657992-100
DATED AS OF May 19, 2014

X I, _____, do hereby certify that I am the duly elected or appointed and acting Clerk/Secretary of City of West Jordan, Utah (the "Lessee"), a political subdivision duly organized and existing under the laws of the State of Utah, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

NAME	TITLE	SIGNATURE
X _____	_____	_____
_____	_____	_____

X IN WITNESS WHEREOF, I have duly executed this certificate this ____ day of _____, 20____.

X Signed: _____

X Title: _____

NOTE: The Clerk or Secretary to the Board should sign unless that person is also the signor of the documents in which case the Board President or some other Officer of the District should execute this document.

**Invoice**

Date of Invoice: 05/19/2014
Application Number: 247922
Contract Number: 008-0657992-100

To: City of West Jordan, Utah
8000 S Redwood Road
West Jordan, UT 84088

Advance Payments/Security Deposit

Description	Contract Payment	Sales/Use Tax	Other	Amount
First Payment in Advance	\$0.00	\$0.00		\$0.00
Last Payment in Advance	\$0.00	\$0.00		\$0.00
			\$0.00	\$0.00
Sub Total				\$0.00

Other Fees/Charges

Fee Description	Amount
Documentation Fee	\$250.00
<hr/>	
Other Fees/Charges Sub Total	\$250.00

Invoice Total Due

Invoice Total Due	\$250.00
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Remit Payment with 866-465-3149
Completed Documents to: OR
TCF Equipment Finance, Inc.
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926



Utah State Tax Commission • 210 N 1950 W • Salt Lake City, UT 84137

Exemption Certificate
(Sales, Use, Tourism and Motor Vehicle Rental Tax)**TC-721**

Rev. 4/13

Name of business or institution claiming exemption (purchaser)		Telephone number	
Street address	City	State	ZIP Code
Authorized signature	Name (please print)	Title	
Name of Seller or Supplier:		Date	

The signer of this certificate **MUST** check the box showing the basis for which the exemption is being claimed.**DO NOT SEND THIS CERTIFICATE TO THE TAX COMMISSION**
Keep it with your records in case of an audit.

For purchases by government, Native American tribes and public schools, use form TC-721G.

☐ **RESALE OR RE-LEASE**

Sales Tax License No. _____

I certify I am a dealer in tangible personal property or services that are for resale or re-lease. If I use or consume any tangible personal property or services I purchase tax free for resale, or if my sales are of food, beverages, dairy products and similar confections dispensed from vending machines (see Rule R865-19S-74), I will report and pay sales tax directly to the Tax Commission on my next sales and use tax return.

☐ **MUNICIPAL ENERGY**

Sales Tax License No. _____

I certify the natural gas or electricity purchased: is for resale; is prohibited from taxation by federal law, the U.S. Constitution, or the Utah Constitution; is for use in compounding or producing taxable energy; is subject to tax under the Motor and Special Fuel Tax Act; is used for a purpose other than as a fuel; is used by an entity exempted by municipal ordinance; or is for use outside a municipality imposing a municipal energy sales and use tax. The normal sales tax exemptions under Utah Code §59-12-104 do not apply to the Municipal Energy Sales and Use Tax.

☐ **POLLUTION CONTROL FACILITY**

Sales Tax License No. _____

I certify our company has been granted a "Certification of Pollution Control Facilities" as provided for by Utah Code §§19-2-123 through 19-2-127 and as explained in Tax Commission Rule R865-19S-83 by either the Air Quality Board or the Water Quality Board. I further certify each item of tangible personal property purchased under this exemption is qualifying machinery or equipment for this purpose.

☐ **MEDICAL EQUIPMENT**

I certify the equipment or device checked below is prescribed by a licensed physician for human use.

- ☐ Durable Medical Equipment primarily used to serve a medical purpose, is not worn in or on the body, and is for home use only. (Sales of spas and saunas are taxable.)
- ☐ Mobility Enhancing Equipment primarily used to improve movement, is for use in a home or motor vehicle, and is not used by persons with normal mobility.
- ☐ Prosthetic Device used to replace a missing body part, to prevent or correct a physical deformity, or support a weak body part. This is also exempt if purchased by a hospital or medical facility. (Sales of corrective eyeglasses and contact lenses are taxable.)
- ☐ Disposable Home Medical Equipment or Supplies that cannot withstand repeated use and purchased by, for, or on behalf of a person other than a health care facility, health care provider or office of a health care provider. The equipment and supplies must be eligible for payment under Title XVIII, federal Social Security Act, or the state plan for medical assistance under Title XIX, federal Social Security Act.

☐ **RELIGIOUS OR CHARITABLE INSTITUTION**

Sales Tax License No. _____

I certify the tangible personal property or services purchased will be used or consumed for essential religious or charitable purposes. **This exemption can only be used on purchases totaling \$1,000 or more, unless the sale is pursuant to a contract between the seller and purchaser.**

☐ **DIRECT MAIL**

Sales Tax License No. _____

I certify I will report and pay the sales tax for direct mail purchases on my next Utah Sales and Use Tax Return.

**LEASEBACKS**

I certify the tangible personal property leased satisfies the following conditions: (1) the property is part of a sale-leaseback transaction; (2) sales or use tax was paid on the initial purchase of the property; and, (3) the leased property will be capitalized and the lease payments will be accounted for as payments made under a financing arrangement.

COMMERCIAL AIRLINES

I certify the food and beverages purchased are by a commercial airline for in-flight consumption; or, any parts or equipment purchased are for use in aircraft operated by common carriers in interstate or foreign commerce.

COMMERCIALS, FILMS, AUDIO AND VIDEO TAPES

Sales Tax License No. _____

I certify that purchases of commercials, films, prerecorded video tapes, prerecorded audio program tapes or records are for sale or distribution to motion picture exhibitors, or commercial television or radio broadcasters. If I subsequently resell items to any other customer, or use or consume any of these items, I will report any tax liability directly to the Tax Commission.

FILM, TELEVISION, VIDEO

I certify that purchases, leases or rentals of machinery or equipment will be used by a motion picture or video production company for the production of media for commercial distribution.

ALTERNATIVE ENERGY

Sales Tax License No. _____

I certify the tangible personal property meets the requirements of Utah Code §59-12-104 and is leased or purchased by or for an alternative energy electricity production facility, a waste energy production facility, or a facility that produces fuel from alternative energy.

FUELS, GAS, ELECTRICITY

Sales Tax License No. _____

I certify all natural gas, electricity, coal, coke, and other fuel purchased will be used for industrial use only and not for residential or commercial purposes.

STEEL MILL

Sales Tax License No. _____

I certify the rolls, rollers, refractory brick, electric motors or other replacement parts will be used in the furnaces, mills or ovens of a steel mill as described in Standard Industrial Classification (SIC) 3312.

☐ **MAILING LISTS**
Sales Tax License No. _____
I certify the printed mailing lists or electronic databases are used to send printed material that is delivered by U.S. mail or other delivery service to a mass audience where the cost of the printed material is not billed directly to the recipients.

☐ **OUT-OF-STATE CONSTRUCTION MATERIALS**
I certify this tangible personal property will be shipped out of state and will become part of real property located in a state that does not have a sales tax or allow credit for tax paid to Utah.

☐ **CONSTRUCTION MATERIALS PURCHASED FOR AIRPORTS**
I certify the construction materials are purchased by, on behalf of, or for the benefit of Salt Lake International Airport, or a new airport owned or operated by a city in Davis, Utah, Washington or Weber County. I further certify the construction materials will be installed or converted into real property owned by and located at the airport.

☐ **CONSTRUCTION MATERIALS PURCHASED FOR RELIGIOUS AND CHARITABLE ORGANIZATIONS**
I certify the construction materials are purchased on behalf of a religious or charitable organization and that they will be installed or converted into real property owned by the religious or charitable organization.
Name of religious or charitable organization: _____

Sales Tax License No. _____
Name of project: _____

☐ **MACHINERY AND EQUIPMENT AND NORMAL OPERATING REPAIR OR REPLACEMENT PARTS USED IN A MANUFACTURING FACILITY, MINING ACTIVITY OR WEB SEARCH PORTAL OR ELECTRONIC FINANCIAL PAYMENT SERVICE**
Sales Tax License No. _____
I certify the machinery and equipment and normal operating repair or replacement parts have an economic life of three years or more and are for use in a Utah manufacturing facility described in SIC Codes 2000-3999; in a qualifying scrap recycling operation; in a cogeneration facility placed in service on or after May 1, 2006; in the operation of a Web search portal by a new or expanding business described in NAICS Code 518112 between July 1, 2010 and June 30, 2014; in the operation of an electronic financial payment service described in NAICS Code 522320; or in a business described in NAICS 212, Mining (except Oil and Gas), or NAICS 213113, Support Activities for Coal Mining, NAICS 213114, Support Activities for Metal Mining, or NAICS 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining. **The mining exemption also includes equipment used in research and development.**

☐ **RESEARCH AND DEVELOPMENT OF ALTERNATIVE ENERGY TECHNOLOGY**
Sales Tax License No. _____
I certify the tangible personal property purchased will be used in research and development of alternative energy technology.

☐ **LIFE SCIENCE RESEARCH AND DEVELOPMENT FACILITY**
I certify that: (1) the machinery, equipment and normal operating repair or replacement parts purchased have an economic life of three or more years for use in performing qualified research in Utah; or (2) construction materials purchased are for use in the construction of a new or expanding life science research and development facility in Utah.

☐ **AGRICULTURAL PRODUCER**
I certify the items purchased will be used primarily and directly in a commercial farming operation and qualify for the Utah sales and use tax exemption.

☐ **LOCOMOTIVE FUEL**
I certify this fuel will be used by a railroad in a locomotive engine.

☐ **SEMICONDUCTOR FABRICATING, PROCESSING, OR RESEARCH AND DEVELOPMENT MATERIAL**
Sales Tax License No. _____
I certify the fabricating, processing, or research and development materials purchased are for use in research or development, manufacturing, or fabricating of semiconductors.

☐ **AIRCRAFT MAINTENANCE, REPAIR AND OVERHAUL PROVIDER**
I certify these sales are to or by an aircraft maintenance, repair and overhaul provider for the use in the maintenance, repair, overhaul or refurbishment in Utah of a fixed-wing, turbine-powered aircraft that is registered or licensed in a state or country outside Utah.

☐ **SKI RESORT**
Sales Tax License No. _____
I certify the snow-making equipment, ski slope grooming equipment or passenger rope-ways purchased are to be paid directly with funds from the ski resort noted on the front of this form.

☐ **TOURISM/MOTOR VEHICLE RENTAL**
I certify the motor vehicle being leased or rented will be temporarily used to replace a motor vehicle that is being repaired pursuant to a repair or an insurance agreement; the lease will exceed 30 days; the motor vehicle being leased or rented is registered for a gross laden weight of 12,001 pounds or more; or, the motor vehicle is being rented or leased as a personal household goods moving van. This exemption applies only to the tourism tax (up to 7 percent) and the short-term motor vehicle rental tax (Transportation Corridor Funding – 2.5 percent) – not to the state, local, transit, zoo, hospital, highways, county option or resort sales tax.

☐ **TELECOMMUNICATIONS EQUIPMENT, MACHINERY OR SOFTWARE**
Sales Tax License No. _____
I certify these purchases or leases of equipment, machinery, or software, by or on behalf of a telephone service provider, have a useful economic life of one or more years and will be used to enable or facilitate telecommunications; to provide 911 service; to maintain or repair telecommunications equipment; to switch or route telecommunications service; or for sending, receiving, or transporting telecommunications service.

☐ **TEXTBOOKS FOR HIGHER EDUCATION**
I certify that textbooks purchased are required for a higher education course, for which I am enrolled at an institution of higher education, and qualify for this exemption. An institution of higher education means: the University of Utah, Utah State University, Utah State University Eastern, Weber State University, Southern Utah University, Snow College, Dixie State University, Utah Valley University, Salt Lake Community College, or the Utah College of Applied Technology.

☐ **MACHINERY OR EQUIPMENT USED BY PAYERS OF ADMISSIONS OR USER FEES**
I certify that: (1) the machinery or equipment has an economic life of three or more years and will be used by payers of admissions or user fees (Utah Code §59-12-103(1)(f)); (2) the buyer is in the amusement, gambling or recreation industry (NAICS Subsector 713); and (3) at least 51 percent of the buyer's sales revenue for the previous calendar quarter came from admissions or user fees.

☐ **SHORT-TERM LODGING CONSUMABLES**
I certify the tangible personal property is consumable items purchased by a lodging provider as described in Utah Code §59-12-103(1)(i).

A sales tax license number is required only where indicated.

NOTE TO SELLER: Keep this certificate on file since it must be available for audit review.

NOTE TO PURCHASER: Keep a copy of this certificate for your records. You must notify the seller of cancellation, modification, or limitation of the exemption you have claimed.

Questions about this form? Email taxmaster@utah.gov, or call 801-297-2200 or 1-800-662-4335.

If you need an accommodation under the Americans with Disabilities Act, call 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.



Delivery and Acceptance

"Lessee"
City of West Jordan, Utah, 8000 S Redwood Road, West Jordan, UT 84088
"Lessor"
TCF Equipment Finance, Inc., 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

Delivery and Acceptance agreement attached to and made a part of Lease 008-0657992-100 dated May 19, 2014 (the "Lease").

This Certificate relates to the Equipment (the "Equipment") that is described in the Lease.

Pursuant to the Lease, Lessee acknowledges that Lessor has acquired the Equipment in connection with the Lease and Lessee has either received a copy of the purchase agreement with the vendor of the Equipment on or before signing the Lease or has approved such purchase. Lessee hereby represents, warrants and certifies that (i) all of the Equipment has been delivered to Lessee at the Equipment Location set forth in the Lease and has been installed, tested and inspected by Lessee or duly authorized representatives of Lessee, (ii) the Equipment Description set forth in the Lease is complete and correct, (iii) the Equipment, together with any supporting documentation, is exactly what Lessee ordered, is in good working order, is satisfactory in all respects and has been accepted by Lessee under the Lease as of the Acceptance Date set forth below, and (iv) there has been no adverse change in the business or financial condition of Lessee or any guarantor of the Lease since the day the most recent financial statement of Lessee or any guarantor was submitted to Lessor. If Lessee has made a deposit to the Equipment vendor(s), by signing this Certificate, Lessee hereby transfers all of Lessee's right, title and interest in and to the Equipment to Lessor, except to the extent set forth in the Lease, whether or not Lessee has been reimbursed for the deposit(s).

IMPORTANT: LESSEE SHOULD SIGN THIS CERTIFICATE ONLY AFTER LESSEE HAS RECEIVED AND IS COMPLETELY SATISFIED WITH THE EQUIPMENT. BY SIGNING THIS CERTIFICATE, LESSEE (1) IS IRREVOCABLY ACCEPTING THE EQUIPMENT, (2) BECOMES ABSOLUTELY AND IRREVOCABLY OBLIGATED TO LESSOR UNDER THE LEASE, AND (3) MAY NOT THEREAFTER REJECT THE EQUIPMENT, CANCEL OR TERMINATE THE LEASE OR DENY ANY STATEMENT MADE IN THIS CERTIFICATE, FOR ANY REASON WHATSOEVER

X Acceptance Date: _____

Lessee: City of West Jordan, Utah

X By: _____ Title: _____

X Printed Name: _____

Please Complete and return this document by Fax to 800-741-8079 upon delivery and acceptance of the financed Equipment.